

U. S. DEPARTMENT OF THE INTERIOR
Minerals Management Service

Bond No. _____

Amount _____

Bond Type _____

OCS-G # and Area/Block: _____

OUTER CONTINENTAL SHELF MINERAL LESSEE'S AND OPERATOR'S
SUPPLEMENTAL PLUGGING & ABANDONMENT BOND AND ACT OF SURETYSHIP

FROM: _____
(Surety)

TO: Minerals Management Service
U. S. Department of the Interior

FOR: _____
(Principal)

KNOW ALL MEN BY THESE PRESENTS, That for good and valuable consideration _____
(if a corporation: a Corporation incorporated in the State of _____),
domiciled and doing business in the State of _____, County or Parish of _____,
(hereinafter "Surety"), a surety company certified by the U. S. Treasury as an acceptable surety on Federal bonds and listed
in the current U. S. Treasury Circular No. 570, as a commercial surety undertaking a continuing guaranty, does hereby
absolutely and unconditionally bind itself to the United States of America acting through and by the Minerals Management
Service (MMS), or such other official designated by the Secretary of the Interior for this purpose, for the payment of all of
the cost of the plugging and abandonment obligations (hereinafter "Obligations") of:

(principal/lessee or operator)

(mailing address)

(hereinafter "Principal") on the lease described in Schedule A at a cost not to exceed \$ _____. The Surety
does so undertake with respect to all Obligations, whether arising under the regulations of the Department of the Interior,
or any lease, operating agreement, designation of operator or agent, storage agreement, compensatory royalty agreement,
transfer of operating rights, permit, license or easement (individually and collectively referred to hereafter as "instrument"),
issued, maintained or approved under any provision of the Outer Continental Shelf Lands Act, 43 U.S.C. 1331 et seq., as
amended (hereinafter referred to as the "Act"), or the regulations promulgated thereunder, whereunder the Principal has the
right, privilege or license to conduct operations on the Outer Continental Shelf.

The Principal, as to any lease or part of a lease for which the Principal has been designated as operator or agent, in
consideration for the United States agreeing to allow it to serve as operator and agent of all parties to the lease and receive
compensation therefor, agrees and binds itself to fulfill on behalf of each lessee, all the Obligations for the entire leasehold
and in the same manner and to the same extent as though the Principal were the lessee.

SCHEDULE A
DESCRIPTION OF LEASE ON THE OUTER CONTINENTAL SHELF

This Bond and the Surety's Obligations and liability hereunder shall remain in full force and effect until such time as this Agreement may be cancelled or otherwise terminated by the MMS by a written cancellation instrument in favor of the Surety, subject to automatic reinstatement as if no release or discharge had been granted, if at any time within three years of such cancellation any payment of any Obligation of the Principal(s) is rescinded or must be restored pursuant to any insolvency, bankruptcy, reorganization, or receivership, or should the representation of the Principal that it has paid its financial Obligations in accordance with MMS specifications be materially false, and the MMS relied upon such representation in cancelling the instrument.

The MMS shall agree to terminate the period of liability if the parties to the instruments, their agents, heirs, successors and assigns, fully perform the Obligations under the lease or other

instruments, and leave the premises in a condition acceptable to the MMS at the termination of the lease, or upon acceptance of a replacement bond, or any other security acceptable to MMS.

This Obligation of Surety shall be in full force and effect from the date of acceptance by an authorized officer of the United States, subject to the following provisions:

The Surety waives any right to notice of, and agrees that this bond shall take effect upon, execution and delivery to the MMS, without any notice of acceptance, and remain in full force and effect, notwithstanding:

1. An assignment, either in whole or in part, of any or all of the leases or instruments or interests therein.

2. Any modification of an instrument or Obligation thereunder, whether made or effected by commitment to unit, cooperative, communitization or storage agreements; suspension of operations or production; suspensions or changes in rental, minimum royalty, or royalties; modifications of regulations or interpretations thereof; compensatory royalty agreements or payments; any mortgage, pledge or other grant of security interests in the Instruments, or otherwise.

3. The termination of any instrument covered by this bond, whether the termination is by operation of law or otherwise.

4. Any neglect or forbearance of the MMS in enforcing, as against any party to the instruments, the payment of rentals or royalties or the performance of any other covenant, condition or agreement of the lease, or giving notice of or making demand with respect to nonperformance thereof.

5. Any loss Surety may suffer by reason of any law limiting, qualifying, or discharging the Principal's Obligation.

Further, the Surety agrees to remain bound under this bond as to the interests in any instrument retained by the Principal when the MMS approves the transfer of any or all of the instruments or interests therein.

In the event of any default under the lease, the Surety shall perform the Obligations of the Principal upon the demand of the MMS. If the MMS decides to commence suit to enforce its rights, it may commence and prosecute any claim, suit, action or other proceeding against the Principal and Surety, or either

of them, without the necessity of joining the lessees or any other party.

In the event that there is more than one Surety for the Principal's performance of the Obligation, as to any lease or other instrument, the Surety's Obligations and liability hereunder shall be on a "solidary" or "joint and several" basis along with such other guarantors or sureties

Unless otherwise indicated under such a written cancellation instrument, the MMS's agreement to terminate or otherwise cancel this Bond shall affect only, and shall be expressly limited to, the Surety's obligation and liability to guarantee the Principal's obligations incurred, accrued, or originated after the date of such a written cancellation instrument; with Surety instrument; with Surety remaining fully obligated and liable under this Bond for any liabilities incurred, accrued, or originated prior to the date of such cancellation instrument.

The Surety shall give prompt notice to the MMS and the Principal of any action filed alleging the insolvency or bankruptcy of the Surety or the Principal, or alleging any violations which would result in the suspension or revocation of the Surety's charter or license to do business.

The Surety's Obligations and liabilities under this Bond shall be binding upon Surety's successors and assigns. Nothing herein shall be construed as permitting the assignment of the Surety's Obligations without the written consent of the MMS.

Signed on this day of , 19 , in the State of , in the presence of:

Signature of Witness

Name typed or printed

Address

Signature of Witness

Name typed or printed

Address

Signature of Person Executing for the Principal

Name and title printed

Business Address

Signature of Person Executing for the Surety

Name and title printed

Business Address

Note: The party signing for the Surety must attach a corporate resolution and power of attorney setting forth his or her authority to undertake this Obligation, pursuant to the acts of the corporate board of directors and the laws of the state of its incorporation. The corporation executing this bond as Surety and the lessee or operator, if a corporation, shall each affix their corporate seals.

Paperwork Reduction Act Statement: The Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.) requires us to inform you that MMS collects this information to hold the surety libel for the obligations and liability of the principal/lessee or operator. Response to this request is required to obtain or retain a benefit. No proprietary information is collected. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number. Public reporting burden for this form is estimated to average 15 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to the Information Collection Clearance Officer, Mail Stop 4230, Minerals Management Service, Department of the Interior, 1849 C Street, NW., Washington, DC 20240; and to the Office of Information and Regulatory Affairs, Attn: Desk Officer for the Department of the Interior (OMB No. 1010-0006), Office of Management and Budget, Washington, DC 20503.